GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3836
ANSWERED ON:17.08.2000
LNG AS A REPLACEMENT OF NAPHTHA
T.M. SELVAGANAPATHI

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government are considering to allow Liquified Natural Gas (LNG)as replacement of naphtha in existing plants, as additional feed back for existing gas based plants, as replacement of fuel oil in existing plants and as feed back for the proposed new fertilizer plants;

(b) if so, whether the Government have carried out any feasibility study on it;

(c) if so, the details thereof; and

(d) the total requirement of LNG for the above and the Government`s plans to meet the same?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS)

(a) to (d): In the context of dwindling supply of natural gas, which is the preferred feedstock for production of nitrogenous fertilizers and increase in the price of naphtha based on import parity prices, Government is exploring use of alternative feedstock like LNG. Government have, therefore, re-activated the Core Group offertilizer companies on 26.5.2000 to prepare a detailed feasibility report for import of LNG for fertilizer production.The Core Group has been asked to submit its reportwithin a period of six months. As per the pre-feasibility report prepared by the Core Group, additional gas requirement of various fertilizer plants has been estimated at 25 MMSCMD.